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FEDERAL MARITIME COMMISSION WASHINGTON, D.C.

PETITION OF NATIONAL CUSTOMS BROKERS AND FORWARDERS ASSOCIATION OF AMERICA FOR EXEMPTION

FROM MANDATORY RATE TARIFF PUBLICATION **DOCKET NO. P1-08**

I am Allison Burak, NVOCC Manager at Trans-Border Global Freight Systems, Inc. We are a NVOCC freight forwarder located in Latham, NY. We have one corporate office with agent partners worldwide. Our NVOCC license number is 16477F.

We are a member of the NCBFAA and are very familiar with issues relating to the requirements for mandatory publication of ocean rate tariffs. We are in support of the Association's petition to exempt NVOCCs from having to publish rates that have been negotiated with shippers in rate tariffs.

Typically, when a shipper is looking for a rate, they do not look to the tariffs. Instead, shippers come to us looking for a quote. At that point, we go to the carriers to find the most cost effective option for that specific shipment for our customer. We put together a quote based upon the buy rates we receive from the vessel operator and send all of the required information back to the shipper. This is done on a shipment by shipment basis and the tariff is not used to quote from. Dependent upon the commodity and where the shipment is coming from and going to, the rates vary and are negotiated specifically with each shipper. It is extremely rare to find a shipper with the exact same commodity and lane of business. This is applicable for both FCL and LCL shipments. The buy rates negotiated with the steamship line are subject to many surcharges which in today's economy, are constantly changing. Fuel is one of the main factors as well as GRI's. Regardless of whether or not the rates are in a contract, these surcharges are still applicable. The fluctuation in fuel alone makes filing a rate very difficult. Validating the rate for only 30 days helps with this burden, but also results in many costs incurred from labor as well as the filing itself. The tariff is then not utilized by our customers as it is more convenient for them to come straight to us.

Once we have provided the guotes to our customer and they accept it, we proceed with the shipment. All correspondence is done via e-mail. This is how the quoted rate is given to the customer and how the customer accepts the rate and proceeds with the booking. Even if there is a discussion on the phone, a formal quote is still sent via e-mail and a reply from the customer is received.

Our current procedure for handling tariff publication is listed below.

- Quote request made, rates negotiated with carriers, quote provided to customer
- Customer accepts the rate
- Operations fills out Tariff filing sheet and e-mails to NVOCC Manager
- NVOCC Manager amends filing sheet and sends to our publishing agent

Because the shipment usually moves almost immediately after the rates are negotiated, it is



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often difficult to ensure that the rates are filed in the tariff before the traffic moves. Our customers rely on the quotes as do we. It's put forth in writing so that all parties involved are clear what the rate is and there are no questions when the shipper receives their invoice. The aforementioned process is why there is no longer a need for the tariff. In addition to the labor required to get the rates published, there are also costs associated with the filings for something that is no longer utilized.

It is often difficult to keep up with the constantly changing carrier tariff rates. While they are required to give advance notice of any increase, it is often difficult to keep up with as the rates and surcharges change daily.

The NVOCC Service Arrangements do not provide any relief. Many shippers are very hesitant to sign any kind of formal contract. Shippers feel this to be too binding. The confidentiality of the rates is not a benefit as the tariff is never accessed to begin with.

In addition to the labor that is needed to maintain the tariff, there are also financial costs associated with it. In the 10 years we have been in business, maintaining the tariff has cost close to around \$30,000.00 and our tariff has only been viewed once by an outside party.

The above information provides explanation for why we are in support of exempting NVOCCs from having to publish rates.

I, Allison Burak declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.

Executed on September 9th, 2008.